



**TESTIMONY OF
Christopher Dadlez
President and Chief Executive Officer
Saint Francis Hospital and Medical Center
BEFORE THE
JUDICIARY COMMITTEE
March 26, 2009**

House Bill 6532

Senator McDonald, Representative Lawlor and members of the Committee, thank you for giving me, on behalf of Saint Francis Hospital and Medical Center, the opportunity to address you about the proposed legislation. I thought it would be helpful to begin by highlighting Saint Francis' critical role in providing medical services to the Greater Hartford community. Saint Francis was founded in 1897. Saint Francis Hospital and Medical Center's mission calls our institution to be "...committed to health and healing through excellence, compassionate care and reverence for the spirituality of each person...". We are a non-profit hospital that provided over \$63.5 million in unreimbursed healthcare last year including \$6.2 million in free care, \$29.8 million to cover Medicaid and State Administered General Assistance (SAGA) shortfall in payments, and \$27.4 million in bad debt expenses for unpaid healthcare. Especially in these difficult economic times, a larger and larger number of patients with limited or no financial resources are looking to the doctors, nurses and other professionals at Saint Francis for care.

Hospitals in Connecticut face unprecedented financial challenges in the current economic climate. One only has to pick up the local papers to read of a \$35.5 million loss at the Hospital of Saint Raphael's, the bankruptcy proceedings for Johnson Memorial Health System, and layoffs at Gaylord Hospital, Waterbury Hospital, New Milford Hospital and the Eastern Connecticut Health Network to mention just a few.

Just recently the Connecticut Hospital Association released data showing that total margins for Connecticut hospitals plummeted over \$200 million in the first quarter of FY2009, which follows a \$156 million loss in the fourth quarter of FY2008. Given the serious challenges facing the hospital community, and the growing number of uninsured and underinsured patients caused by the economic crisis, hospitals like ours are very concerned about their ability to continue to deliver care to the community.

In late 2007, when the media first reported the discovery of photographs and films in the former home of Dr. Reardon, the members of the Saint Francis community were as shocked as I am sure you were. We are deeply saddened and offer our sympathies to anyone who may have been abused by Dr. Reardon. In response to the media reports, and in an effort to provide the support and assistance to those who urgently needed it, we immediately created a confidential process for former patients of Dr. Reardon - regardless of age - to access mental health services. We established an 800 telephone number for individuals to call, which put them in contact with a confidential referral service for counseling. We ensured that the identity of each caller was never disclosed to any employee or representative of Saint Francis. Saint Francis offered - and to this day continues to offer - treatment by mental health professionals at no cost to any of Dr. Reardon's former patients who alleges that he or she was abused by him. We also pay for any medications prescribed by the therapists.

Shortly after the media first reported on the materials found in Dr. Reardon's former home, lawsuits began being filed against Saint Francis. We agreed to early mediation in the hopes of reaching a prompt, fair and equitable resolution for all concerned and to avoid what might be long and difficult litigation.

Given the pending litigation, I cannot address any of the specifics of the cases. But as you can imagine, the pending litigation has affected all parties, including the more than 5,000 employees who work in the Saint Francis healthcare system.

As some of you may know, complaints about Dr. Reardon that had been brought to the Connecticut Medical Examining Board first became public in 1993 and ultimately led to the revocation of Dr. Reardon's privileges at Saint Francis and revocation of his license to practice medicine. I understand that the proceedings to revoke Dr. Reardon's license received substantial media attention at the time. After the Medical Examining Board hearings became public in 1993, a number of lawsuits were filed seeking compensation from Dr. Reardon. None of the lawsuits that were brought in the 1990's were directed against Saint Francis. Today, however, almost 16 years after the proceedings before the Medical Examining Board became known to the hospital and the public, and in some instances more than 40 years after the alleged abuse occurred, Saint Francis is faced with defending itself against substantial claims brought by 135 plaintiffs, while trying to carry out its vital mission as a critical part of the healthcare safety net in the greater Hartford community.

The difficulties in defending claims that are so old are many. Potential witnesses and sources of information may no longer be available, documents may have been lost, and memories undoubtedly will have faded, to name a few. Amending the statute of limitations to provide an essentially unlimited period in which to bring an abuse claim would be fundamentally unfair to any institution that has significant contact with children, not just ours, including other hospitals, day care centers, and schools around the state – all important contributors to their communities. The financial impact of amending the statute could seriously undermine our mission of providing quality care to those in need.

Saint Francis has retained a Yale Law School professor, Thomas W. Merrill, to address in detail the significant legal problems presented by the proposed legislation. We believe that the existing statute of limitations is one of the most generous in the country. Allowing 30 years from the age of majority is a very significant period of time in which to bring a claim.

Again, we are deeply saddened and offer our sympathies to anyone who may have been abused by Dr. Reardon. While strongly opposed to the proposed Raised Bill, we believe that there may be alternative measures that may provide some relief to persons alleging that they were abused as minors but are now over the age of 48. For example, creation of a special victim's fund administered by the State or third parties could, in such special circumstances, provide support and assistance to these individuals.

Thank you.